Opening Statement Chairman Mark Souder

"Law Enforcement and the Fight Against Methamphetamine"

Subcommittee on Criminal Justice, Drug Policy, and Human Resources Committee on Government Reform

November 18, 2004

Good morning, and thank you all for coming. Today we continue our Subcommittee's work on the problem of methamphetamine trafficking and abuse – a problem that is ravaging the entire nation and putting a severe strain on law enforcement agencies, particularly at the state and local levels. Many of my colleagues have proposed legislation to help beleaguered law enforcement agencies deal with the meth trafficking threat. Today, we hope to examine some of those proposals.

Meth is one of the most powerful and dangerous drugs available, and it also one of the easiest to make. It can be "cooked" using common household or agricultural chemicals and simple cold medicines, following recipes easily available on the Internet. Meth comes from two major sources of supply. First, most meth comes from the so-called "superlabs" in California and northern Mexico. By the end of the 1990's these superlabs produced over 70 percent of the nation's supply of meth. The superlabs are operated by large Mexican drug trafficking organizations that have used their established distribution and supply networks to transport meth throughout the country.

The second major source of meth comes from small, local labs that are generally unaffiliated with major trafficking organizations. These labs have proliferated throughout the country. The total amount of meth actually supplied by these labs is relatively small; however, the environmental damage and health hazard they create make them a serious problem for local communities, particularly the state and local law enforcement agencies charged with the duty to uncover and clean them up. In my home state of Indiana, for example, more than 20% of the labs raided by police were discovered only after the labs had exploded and started fires. Children are often found at meth labs, and have frequently suffered from severe health problems as a result of the hazardous chemicals used in drug manufacturing.

During this Congress, we have held field hearings throughout the country – from Indiana to Hawaii – examining the meth epidemic. Everywhere we go, we hear about many of the same issues. In particular, we have heard about the high

costs and long hours required for law enforcement agencies to hunt down, investigate, and clean up dangerous meth lab sites, while dealing with the heartbreaking cases of children exposed to drugs and chemicals and in need of emergency medical care and a safe place to go. This drug is probably the single biggest drain on law enforcement resources in the country.

We will need to take action at every level – federal, state and local – to respond to this problem. At other hearings, we have addressed the question of treatment and prevention – and Congress will of course need to deal with them. At this hearing, however, we intend to focus on the law enforcement side – specifically, what we in Congress can do to help sheriffs' and police departments across the nation deal with meth.

Congressional proposals to assist law enforcement have taken two basic forms: first, regulations designed to reduce the supply of precursor chemicals used to make meth; and second, direct financial assistance to state and local agencies to support anti-meth enforcement. I will briefly discuss each of these concepts.

First, what is the best way to reduce the supply of meth precursor chemicals, such as pseudoephedrine? Presumably, if we can substantially reduce the availability of meth components, the number of small meth labs will be reduced as well. There are several proposals currently on the table intended to do just that. One idea is to eliminate the federal "blister pack" exemption for pseudoephedrine sales. Under current law, retailers can sell unlimited quantities of pseudoephedrine, as long as it is packaged in "blister packs." Sadly, these blister packs have not been much of a hindrance to meth cooks. I believe the exemption should be eliminated, and I have proposed legislation (H.R. 5347) which would do just that.

A second approach is to put pseudoephedrine and similar chemicals on Schedule V of the Controlled Substances Act. This would force retailers to sell cold medicines and similar products from "behind the counter," and may also force consumers to show identification and sign a register when purchasing such products. It may also prevent non-pharmacists from selling cold medicines. Oklahoma recently enacted this approach into law, and several other states are planning to do the same; Congressman Brad Carson has proposed legislation which would do this on a nationwide scale.

Finally, a third approach takes aim at the importation and sale of bulk quantities of pseudoephedrine. According to a recent report in The Oregonian newspaper, most of the world's supply of pseudoephedrine comes from just a few factories in Europe, India, and now China. It might be possible to stop most chemical diversion even before these products reach the stores. Import quotas, international cooperation, and regulations of the wholesale markets are all

possible ways of reducing the availability of precursor chemicals to meth traffickers.

With respect to any new regulation of meth precursors, Congress needs to ask several questions. First, how effective will the new regulation be at reducing the supply of precursors and the number of meth labs? Second, what will be impact on legitimate sellers and consumers of these products? How much inconvenience do we want to impose on people who just want to buy cold medicines? And finally, how effective will regulations passed only in one state be – if all the other states don't follow suit? Do we need a national standard?

The second set of proposals involves federal grants and other financial assistance to state and local law enforcement agencies. Currently, the federal government provides significant assistance to state and local agencies through several grant programs, including the Byrne Grants and the COPS "Meth Hot Spots" grants, administered by the Department of Justice, and the High Intensity Drug Trafficking Areas (HIDTA) program, administered by the Office of National Drug Control Policy (ONDCP).

State and local law enforcement officials have repeatedly told me and my staff that these grants are vital to their drug enforcement, and particularly their meth enforcement, efforts. Several members of Congress (including Congressman Roy Blunt and my Subcommittee colleague Congressman Doug Ose) have proposed expanding these programs to deal with the meth threat. The Administration, however, has proposed significant cuts in these programs – particularly the Byrne Grants. Before deciding whether to expand, contract, or significantly retailor these programs, Congress needs to have a better understanding of what they do and how effective they are.

This hearing will address these difficult questions and hopefully help lay the groundwork for legislative action in the next Congress. Our first panel of witnesses have joined us to discuss the federal government's response to the meth problem: Mr. Scott Burns, Deputy Director for State and Local Affairs at the Office of National Drug Control Policy (ONDCP), who has taken a lead role in addressing meth issues; Mr. Domingo S. Herraiz, Director of the Bureau of Justice Assistance at the Justice Department's Office of Justice Programs (OJP), which is responsible for administering many of the federal grant programs at issue here; and Mr. Joseph Rannazzisi, Deputy Chief of the Office of Enforcement at the Drug Enforcement Administration (DEA), which is not only responsible for coordinating the federal government's meth enforcement efforts, but also for administering the federal government's meth cleanup assistance program for state and local agencies.

For the record, the Subcommittee invited the U.S. Coast Guard to testify at this hearing concerning the trafficking of Southeast Asian methamphetamine (also called "yaba"), and the movement of precursor chemicals into this country.

The Coast Guard declined to testify about their knowledge of these issues. The Subcommittee will ask the Coast Guard in writing about questions regarding Southeast Asian meth and the movement of precursor chemicals.

At a hearing like this, it is vitally important for us to hear from the state and local agencies forced to fight on the "front lines" against meth and other illegal drugs. We welcome Mr. Lonnie Wright, Director of the Oklahoma Bureau of Narcotics and Dangerous Drugs, who will talk to us today about his state's new anti-meth law; Sheriff Steve Bundy of the Rice County, Kansas Sheriff's Department; and my fellow Hoosier, Lt. George E. Colby, Division Commander and Project Director of the Allen County Drug Task Force, at the Allen County, Indiana Sheriff's Department.

We also welcome three representatives of the manufacturers and retailers of pseudoephedrine products, who will help us understand the impact that new regulations may have on businesses and consumers. We are joined by Mr. Joseph Herrens, Senior Vice President for Government Affairs at Marsh Supermarkets, Inc., on behalf of the Food Marketing Institute; Dr. Linda Suydam, President of the Consumer Healthcare Products Association (CHPA); and Ms. Mary Ann Wagner, Vice President for Pharmacy Regulatory Affairs at the National Association of Chain Drug Stores. We thank everyone for taking the time to join us this morning, and look forward to your testimony.